

1 ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS

2 In the Matter of the Collection Agency License of:

No. 09F-BD067-BNK

3 **OXFORD COLLECTION AGENCY, INC.**
4 **AND CHARLES HARRIS, VICE PRESIDENT**
5 135 Maxess Road
6 Melville, NY 11747

CONSENT ORDER

7 Respondents.

8 On June 19, 2009, the Arizona Department of Financial Institutions (“Department”) issued an
9 Amended Notice of Hearing to Revoke and Complaint, alleging that Respondents had violated
10 Arizona law. Wishing to resolve this matter in lieu of an administrative hearing, Respondents
11 consent to the following Findings of Fact and Conclusions of Law, and consent to the entry of the
12 following Order.

13 FINDINGS OF FACT

14 1. Respondent Oxford Collection Agency, Inc. (“Oxford”) is a New York corporation
15 authorized to transact business in Arizona as a collection agency within the meaning of A.R.S.
16 §§ 32-1001, *et seq.* The nature of Oxford’s business is that of soliciting claims for collection and
17 collection of claims owed, due or asserted to be owed or due within the meaning of A.R.S. § 32-
18 1001(2)(a).

19 2. Respondent Charles Harris (“Mr. Harris”) is the Vice President and Active Manager
20 of Oxford. Mr. Harris is authorized to transact business in Arizona as a collection agency within the
21 meaning of A.R.S. §§ 32-1001, *et seq.*

22 3. Neither Oxford nor Mr. Harris are exempt from licensure as a collection agency
23 within the meaning of A.R.S. § 32-1004.

24 4. On June 4, 2007, the Department sent Oxford notice that an examination of Oxford
25 would commence at the Department on or about August 17, 2007. The notice requested certain
26 records and information be forwarded to the Department. Oxford did not respond to the request.

1 5. On November 2, 2007, the Department's examiner, Jack Watson ("Mr. Watson")
2 called Mr. Harris regarding the examination and faxed him the notice of examination and licensee
3 questionnaire.

4 6. Mr. Watson spoke with Mr. Harris and the examination was rescheduled for January
5 10, 2008. Again, Oxford failed to respond to the Department's request for information in order to
6 conduct the examination.

7 7. On January 29, 2008, Mr. Watson telephoned Mr. Harris regarding the examination
8 and the Department's requests for information that had been ignored by Oxford. Again, Mr. Watson
9 faxed the notice of examination and licensee questionnaire to Respondents.

10 8. Because of Mr. Harris' unresponsiveness, Mr. Watson placed a second call to Mr.
11 Harris on May 15, 2008 and re-faxed the notice of examination and licensee questionnaire to
12 Respondents. At that point, Mr. Harris indicated the examination documents would be received by
13 the Department by mid-August.

14 9. On September 8, 2008, Mr. Watson telephoned Mr. Harris and Randall Silver ("Mr.
15 Silver"), Chief Financial Officer and left messages for both. Mr. Watson again faxed the notice of
16 examination and licensee questionnaire to Respondents.

17 10. On September 11, 2008, Mr. Silver telephoned Mr. Watson and asked him to again
18 re-fax the documents that previously had been sent to Respondents five (5) times.

19 11. On February 3, 2009, the Department issued and served upon Respondents an Order
20 to Cease and Desist; Notice of Opportunity for Hearing; Consent to Entry of Order ("Cease and
21 Desist Order"). The return receipt (green card) indicating delivery of the Cease and Desist order was
22 signed by Respondents on February 6, 2009. The Cease and Desist Order was also forwarded to
23 Respondents' statutory agent, who signed for receipt on February 4, 2009.

24 12. The Cease and Desist Order imposed upon Respondents a civil money penalty of five
25 thousand dollars (\$5,000.00).

26 ...

1 13. The Cease and Desist Order provided Respondents an opportunity to appeal the Order
2 within thirty (30) days of service. Respondents did not file a request for hearing in order to appeal
3 the Cease and Desist Order, nor did they remit the civil money penalty to the Department or provide
4 to the Department the records and information requested.

5 14. Based upon Respondents' failure to act upon the Cease and Desist Order, the Cease
6 and Desist Order became a final Order on March 11, 2009.

7 15. On March 23, 2009, Robert D. Charlton, Assistant Superintendent at the Department,
8 sent Respondents a letter notifying them of the final Cease and Desist Order.

9 16. In late April of 2009, Respondents finally provided the records the Department had
10 been requesting since June 4, 2007.

11 17. On May 6, 2009, Mr. Watson received the licensee questionnaire from Respondents
12 via e-mail.

13 18. On May 18, 2009, at the end of the examination which commenced on May 15, 2009,
14 Mr. Watson requested Respondents' current financial statement from Mr. Silver, who had forwarded
15 the examination documents to the Department. Mr. Watson received the financial statement on
16 May 28, 2009.

17 19. Respondents have failed to pay the \$5,000 civil money penalty in violation of the
18 Superintendent's Final Order dated February 3, 2009.

19 20. Mr. Watson's examination, conducted May 15, 2009 through May 18, 2009, revealed
20 the following violations:

21 a. Respondents failed to timely make available to the Department all books and
22 records for inspection and examination by the Superintendent or her examiners,
23 by refusing to allow the Department to conduct an examination of Oxford
24 pursuant to A.R.S. § 6-122(B)(3); and

25 b. Respondents failed to maintain all records required under A.A.C. R20-4-1504 and
26 failed to timely make them available for examination, investigation or audit in

1 Arizona within three (3) working days after the Superintendent demanded the
2 records.

3 **CONCLUSIONS OF LAW**

4 1. Pursuant to Title 32, Chapter 9 of the Arizona Revised Statutes, the Superintendent is
5 charged with the duty to regulate all persons engaged in the collection agency business and with the
6 enforcement of statutes, rules and regulations relating to collection agencies.

7 2. By the conduct set forth in the Complaint, Respondents have violated statutes and
8 rules governing collection agents as follows:

9 a. A.R.S. § 6-124(C), by refusing to allow the Department to conduct an
10 examination of Oxford pursuant to A.R.S. § 6-122(B)(3); and

11 b. A.A.C. R20-4-1504(D), by failing to maintain all records required under
12 A.A.C. R20-4-1504 and failing to timely make them available for
13 examination, investigation or audit in Arizona within three (3) working days
14 after the Superintendent demands the records.

15 3. Respondents violated the February 3, 2009 Superintendent's Final Order by failing to
16 produce the records in a timely manner and by failing to pay the \$5,000 Civil Money Penalty.

17 4. Respondents' violation of the February 3, 2009 Superintendent's Final Order
18 constitutes grounds to suspend or revoke Respondents' collection agency license pursuant to A.R.S.
19 § 32-1053(A)(3).

20 5. Respondents' failure to timely respond to the Superintendent's request for
21 information constitutes a violation of A.R.S. § 6-123(3) and 6-124(C), which constitutes grounds to
22 suspend or revoke Respondents' collection agency license pursuant to A.R.S. § 32-1053(A)(3).

23 6. Respondents failure to conduct their collection agency business in accordance with
24 the law, constitutes grounds to suspend or revoke Respondents' collection agency license pursuant to
25 A.R.S. § 32-1053(A)(3).

26 ...

1 the amount of **one thousand, one hundred five dollars (\$1,105.00)**, pursuant to A.R.S. § 6-
2 122(B)(3), plus any applicable late fees pursuant to A.R.S. § 6-125(D).

3 5. The provisions of this Order shall be binding upon Oxford and Mr. Harris, their
4 employees, agents, and other persons participating in the conduct of the affairs of Oxford Collection
5 Agency, Inc.

6 6. The provisions of this Order shall be binding upon Oxford and Mr. Harris, and resolves
7 the Notice of Hearing to Revoke and Complaint, subject to Respondents' compliance with the
8 requirements of this Order, as well as all other statutes and rules regulating collection agencies.

9 7. This Order shall become effective upon service, and shall remain effective and
10 enforceable until such time as, and except to the extent that, it shall be stayed, modified, terminated,
11 or set aside.

12 SO ORDERED this 27th day of July, 2009.

13 By: Felecia Rotellini
14 Felecia A. Rotellini
15 Superintendent of Financial Institutions

16 **CONSENT TO ENTRY OF ORDER**

17 1. Respondents acknowledge that they have been served with a copy of the foregoing
18 Findings of Fact, Conclusions of Law, and Order in the above-referenced matter, have read the
19 same, are aware of their right to an administrative hearing in this matter, and have waived the same.

20 2. Respondents admit the jurisdiction of the Superintendent and consent to the entry of the
21 foregoing Findings of Fact, Conclusions of Law, and Order.

22 3. Respondents state that no promise of any kind or nature has been made to induce them to
23 consent to the entry of this Order, and that they have done so voluntarily.

24 4. Respondents agree to cease from engaging in the violative conduct set forth above in the
25 Findings of Fact and Conclusions of Law.

26 5. Respondents acknowledge that the acceptance of this Agreement by the Superintendent is

1 solely to settle this matter and does not preclude this Department, any other agency or officer of this
2 state or subdivision thereof from instituting other proceedings as may be appropriate in the future.

3 6. Charles Harris, on behalf of Oxford Collection Agency, Inc. and himself, represents that
4 he is the Vice President and Active Manager, and that, as such, has been authorized by Oxford
5 Collection Agency, Inc. to consent to the entry of this Order on its behalf.

6 7. Respondents waive all rights to seek judicial review or otherwise to challenge or contest
7 the validity of this Order.

8 DATED this 16th day of July, 2009.

9
10 By Charles Harris
11 Charles Harris, Vice President and Active Manager
12 Oxford Collection Agency, Inc.

13
14 ORIGINAL of the foregoing filed this 24th
15 day of July, 2009, in the office of:

16 Felecia A. Rotellini
17 Superintendent of Financial Institutions
18 Arizona Department of Financial Institutions
19 ATTN: Susan Longo
20 2910 N. 44th Street, Suite 310
21 Phoenix, AZ 85018

22 COPY mailed same date to:

23 Thomas Shedden, Administrative Law Judge
24 Office of the Administrative Hearings
25 1400 West Washington, Suite 101
26 Phoenix, AZ 85007

Craig A. Raby, Assistant Attorney General
Office of the Attorney General
1275 West Washington
Phoenix, AZ 85007

1 Robert D. Charlton, Assistant Superintendent
2 Jack E. Watson, Senior Examiner
3 Arizona Department of Financial Institutions
4 2910 N. 44th Street, Suite 310
5 Phoenix, AZ 85018

6 AND COPY MAILED SAME DATE by
7 Certified Mail, Return Receipt Requested, to:

8 Charles Harris, Vice President & Active Manager
9 Oxford Collection Agency, Inc.
10 135 Maxess Road
11 Melville, NY 11747
12 Respondents

13 Corporation Service Company, Statutory Agent for:
14 Oxford Collection Agency, Inc.
15 2338 W. Royal Palm Rd., Ste. J
16 Phoenix, AZ 85021

17 
18 _____
19 494894, PHX-AGN-2009-0439

20
21
22
23
24
25
26